

MESSAGE TO THE CHAIRWOMAN

May 1, 2001

The Honorable Ida L. Castro
Chairwoman
Equal Employment Opportunity Commission
Washington, D.C. 20507

Dear Madam Chairwoman:

I am submitting to you the Office of Inspector General's Semiannual Report to Congress, as required by the *Inspector General Act of 1978, as amended*. The report summarizes accomplishments for the period of October 1, 2000 through March 31, 2001. The Act requires that you transmit this report, along with the management report prepared by the Office of Chief Financial Officer and Administrative Services, to the appropriate congressional committees by May 31, 2001.

This semiannual period was productive and challenging for the Office of Inspector General. We were pleased to offer consultative services by submitting financial system provider and customer information to you which helped in your selection of the Federal Financial System to provide the Agency's integrated financial management support for Fiscal Year 2002. This system will result in more effective and efficient management of EEOC's financial resources, as well as compliance with the *Federal Financial Management Improvement Act of 1996*. Further, the analysis of workflow between headquarter and field offices, and the Payments and Receipts Branch demonstrated OIG's ability to provide technical assistance, suggestions and observations to improve the payments process. These work efforts support not only the Office of Inspector General's mission but its vision to be "a team that embodies the highest standards of professionalism, technical skills and innovation promoting positive change and continuous improvement within the Agency." Indeed without the dedication, innovation and commitment to excellence demonstrated by OIG staff, the survey of financial system providers and customers, workflow analysis, and completed investigative initiatives would not have been possible.

We appreciate the support and cooperation you and your management team have provided to OIG during your tenure, and offer to you our continued support and best wishes in your endeavors.

Sincerely,



Aletha L. Brown
Inspector General

TABLE OF CONTENTS

INDEX OF REPORTING REQUIREMENTS	ii
AGENCY PROFILE AND ACCOMPLISHMENTS	1
OIG PROFILE AND ACCOMPLISHMENTS	3
THE AUDIT PROGRAM	6
THE INVESTIGATIVE PROGRAM	9
OTHER OIG ACTIVITY	12
APPENDIX I - OIG AUDIT REPORTS	15

INDEX OF REPORTING REQUIREMENTS

IG ACT CITE	REPORTING REQUIREMENTS	PAGE
Section 4 (a) (2)	Review of Legislation and Regulations	12
Section 5 (a) (1)	Significant Problems, Abuses and Deficiencies	6 - 11
Section 5 (a) (2)	Recommendations With Respect to Significant Problems, Abuses and Deficiencies	N/A
Section 5 (a) (3)	Significant Recommendations Included in Previous Reports on Which Corrective Action Has Not Been Completed	8
Section 5 (a) (4)	Matters Referred to Prosecutive Authorities	N/A
Section 5 (a) (5)	Summary of Instances Where Information Was Refused	N/A
Section 5 (a) (6)	List of Audit Reports	15
Section 5 (a) (7)	Summary of Significant Reports	6 - 11
Section 5 (a) (8)	Questioned and Unsupported Costs	N/A
Section 5 (a) (9)	Recommendations That Funds Be Put to Better Use	N/A
Section 5 (a) (10)	Summary of Audit Reports Issued Before the Commencement of the Reporting Period for Which No Management Decision Has Been Made	N/A
Section 5 (a) (11)	Significant Management Decisions That Were Revised During the Reporting Period	N/A
Section 5 (a) (12)	Significant Management Decisions With Which the OIG Disagreed	N/A

AGENCY PROFILE AND ACCOMPLISHMENTS

EEOC enforces *Title VII of the Civil Rights Act of 1964, as amended*, which prohibits discrimination based on race, color, religion, sex, and national origin; the *Age Discrimination in Employment Act*, which prohibits discrimination against individuals 40 years of age or older; sections of the *Civil Rights Act of 1991*; the *Equal Pay Act*; *Title I of the Americans with Disabilities Act*, which prohibits discrimination against people with disabilities in the private sector and state and local governments; and the *Rehabilitation Act of 1973's* prohibitions against disability discrimination in the federal government.

During the reporting period EEOC issued the following policy and regulatory guidance:

- Policy guidance implementing Executive Order 13164, which requires all federal employers to establish effective written procedures for processing requests for “reasonable accommodation” by employees and applicants with disabilities. The guidance provides instructions for implementing the Order’s procedural requirements. It also addresses the circumstances in which federal managers may permissibly request medical information in connection with a request for reasonable accommodation. The Commission issued its own internal written guidance for providing “reasonable accommodation” to EEOC employees and applicants in February 2001.
- The Compliance Manual was revised to provide the Commission’s first comprehensive analysis of issues concerning employee benefit discrimination under the anti-discrimination laws it enforces. The section examines the legal standards that apply to claims of discrimination in health and life insurance benefits, long-term and short-term disability benefits, severance benefits, pension or other retirement benefits and early retirement incentives.
- The new revision of the Manual also explains that the laws enforced by the EEOC cover all forms of compensation discrimination including salary, bonuses, overtime pay, stock options, profit sharing plans, life insurance, vacation and holiday pay, reimbursement for travel expenses, and other fringe benefits. Further, guidance explains that employment practices that indirectly affect employee compensation, such as promotions, appraisal systems and work assignments, should be scrutinized carefully to assure that they are not unlawful.
- Enforcement guidance clarifying how the *Americans with Disabilities Act of 1990 (ADA)* and the *Rehabilitation Act of 1973* apply to contingent workers - those workers placed in job assignments by staffing firms, such as temporary employment agencies or contract firms. The guidance explains that these workers frequently qualify as the employees of both the staffing firm and its client and thus, both entities have obligations under the provisions of the *ADA*.
- A final regulation prohibiting the return, or “tender back,” of consideration in connection with

challenges to waivers under the *Age Discrimination in Employment Act (ADEA)*. Consistent with the Supreme Court's ruling in *Oubre v. Entergy Operations, Inc.*, 522 U.S. 422, the regulation provides that an employer may not require an employee to return, or "tender back," severance pay or other benefits in order to challenge a waiver as inconsistent with the *ADEA*.

During the reporting period, EEOC entered into several settlements of lawsuits including the following:

- The Birmingham District Office entered into a \$5 million settlement of a class action lawsuit against American Cast Iron Pipe Company (ACIPCO), which alleged race and sex discrimination. Under the terms of the agreement 346 men, who were aggrieved by a former requirement that children of employees and pensioners live with them full time in order to receive medical and dental insurance coverage, will share in the monetary compensation.
- The Chicago District Office entered into \$2.5 million voluntary settlement of claims of national origin discrimination against Commonwealth Edison Company (ComEd). The settlement agreement resolves charges that ComEd discriminated against certain Latino employees in selections for middle management positions. In addition to potential monetary compensation for a class of Latino workers, the settlement calls for ComEd to offer immediate promotions to certain Latino employees and implement other steps to prevent employment discrimination.
- The New York District Office entered into a \$782,000 settlement of a sex discrimination lawsuit against Landis Plastics, Inc. (LPI), an industrial manufacturer, with plants in New York, Illinois and Indiana, on behalf of a class of female employees who were denied jobs or promotions at the company's plant in New York. The agreement resolves charges filed by two women who alleged that women who sought entry level jobs were excluded from higher paying Material Handler positions and instead placed were in lower paid Packer positions and also were denied promotional opportunities.
- The Seattle District Office entered into a \$750,000 settlement of a lawsuit filed against Larson Automotive Group, a Tacoma-based auto dealership, for subjecting a class of African-American employees to persistent racial harassment in the form of racially offensive jokes, cartoons and slurs, and made management decisions based on the race of employees and customers.

- The St. Louis District Office entered into a \$450,000 settlement of a wage discrimination lawsuit against Arizona-based Swift Transportation Company, Inc., which charged that the company engaged in wage discrimination against six female driver managers in its Edwardsville, Kansas terminal. The settlement is one of the largest pay discrimination settlements obtained nationwide in recent years.
- The Miami District Office entered into a \$249,000 settlement of a racial harassment lawsuit filed against Sun Ag, Inc., a major citrus grower based in Fellsmere, Florida. The suit charged the company with subjecting African-American employees to a racially hostile work environment over a number of years, which included threatening remarks, displaying a hangman's noose, and racial slurs by supervisors and co-workers.
- The New York District Office entered into a \$200,000 settlement of a disability discrimination lawsuit against La Cruz Azul (Blue Cross) de Puerto Rico for allegedly violating *Title I of the Americans with Disabilities Act (ADA)* by limiting health insurance coverage for AIDS and AIDS-related conditions. The settlement is the largest settlement of a disability discrimination claim in Puerto Rico. In addition to the monetary relief, La Cruz Azul agreed to eliminate the discriminatory provision from health insurance plans it offers to employees in the future and to implement policies and procedures to eliminate disability discrimination generally in its health plans and the workplace.
- The Phoenix District Office entered into a \$175,000 settlement of a class religious discrimination lawsuit against the Daily Times newspaper of Farmington, New Mexico. The lawsuit charged that the newspaper took adverse employment actions against employees and applicants who did not share the same religious beliefs as the newspaper's publisher-owner, Eliot O'Brien.

OIG PROFILE AND ACCOMPLISHMENTS

The EEOC OIG was created by the *Inspector General Act of 1978, as amended*, and established in January 1989. It is an independent objective unit responsible for assisting management in its efforts to ensure that EEOC programs and operations serve the public's interest. OIG meets this responsibility by conducting audits, investigations and related studies of Agency activities and reporting the results of this work to the Chairman and Congress. These reports recommend process improvements and identify opportunities to provide assurances to management that programs are operating as intended; operations are efficient and economical; contract decisions are based on benefits and fair costs; applicable laws are followed; and waste, fraud and misuse of resources are prevented and detected.

OIG is under the supervision of the Inspector General (IG), who provides overall direction, coordination, and leadership to staff. The IG establishes investigative and audit priorities, provides final review on all matters of major significance, and approves the general course of action to be followed by OIG staff. The office is organized into two program elements, the Immediate Office of the IG, which includes the Counsel to the IG, the Administrative Specialist and the Deputy IG; and the Audit, Inspection and Investigations Program which is supervised by the Deputy IG. Currently, there are nine full-time staff within the OIG including the IG, Deputy IG, Administrative Specialist, Counsel to the IG, an Auditor, two Criminal Investigators, a Management Analyst, and a Confidential Support Assistant.

During the reporting period staff completed several audit and review projects including a limited review of EEOC's management control system which revealed some discrepancies in data reported by field and headquarters offices during the FY 2000. At the request of EEOC's Procurement Management Division (PMD), OIG audited a cost analysis proposal which resulted in findings of no questioned, unsupported or unresolved costs. In another project OIG conducted a workflow analysis of the methodologies employed by the Chief Financial Officer (CFO), Payment and Receipts Management Division (PRMD) relating to transactions between the Agency's field and headquarters offices, and PRMD. Upon completion of the analysis, OIG provided the CFO with suggestions to improve these procedures. Finally, pursuant to the *Section 646 of the FY 2001 Consolidated Appropriations Act*, OIG issued a letter report to Congress concerning the Agency's practice of obtaining personally identifiable information from those individuals who access the Agency's web site. Ongoing work includes a performance audit of the EEOC Revolving Fund.

During the period, Investigations staff closed 161 matters of which 122 were hotlines. Charge processing issues referred by Congress, other Inspectors General, or at the written request of charging parties or respondents, accounted for the largest category. These matters were either resolved by OIG, directed to field offices, the Office of Field Programs or the Office of Federal Operations for appropriate action.

OIG conducted investigations of allegations of the unauthorized outside practice of law by a Senior Trial Attorney; the alleged impersonation of an EEOC official; and the misuse of a government owned computer to download pornography from Internet sites during duty and non-duty hours. OIG also investigated a complaint concerning the theft of a government issued VISA card number and determined that the theft was from an external source and referred the matter to the Bank of America Fraud Unit.

Investigations are ongoing in nine offices regarding allegations of misconduct by employees including gross mismanagement, falsification of time and attendance records, misuse of government property, prohibited personnel practices, falsification of Government documents and impersonation of an EEOC official in order to deceptively solicit companies for advertisements.

OIG is continuing its participation, which began during a previous reporting period, in a joint criminal investigation with the Drug Enforcement Administration of the Department of Justice. This activity will be reported on when it is concluded.

THE AUDIT PROGRAM

Audit and Inspection staff are responsible for conducting independent and objective audits, inspections, evaluations and special studies of EEOC programs, functions, activities, and operations. This work is intended to help managers improve and enhance the effectiveness of their activities.

Strategic Planning Goal:

To identify administrative management approaches that improve the Agency's ability to accomplish its mission, and responsibilities in an efficient and effective manner.

COMPLETED ASSIGNMENTS

Final reports issued by staff during the semiannual reporting period, are summarized below:

Workflow Analysis - Payment and Receipts Management Division (OIG Number 01-03-AIM)

To provide technical assistance to the Agency's Financial Management Division, OIG conducted a workflow analysis of the processes employed by the Payment and Receipts Management Division (PRMD) relating to transactions between the Agency's field and headquarters offices, and PRMD. Upon completion of the analysis, OIG provided the director with the following suggested process improvements:

- ▶ Transfer the responsibility of obtaining vendor Automated Clearing House/Miscellaneous Payment Enrollment forms to the field and headquarters offices, making these offices responsible for forwarding this data to OCFOAS-PRMD for entry into the financial systems vendor maintenance table.
- ▶ Establish a centralized customer service center operated by the Agency's accounting technicians, on a rotational basis, where questions regarding financial matters can be timely answered.
- ▶ Eliminate the requirement of obtaining the Agency Chairwoman's approval of all headquarters obligations over \$2,500, and hold the office directors accountable for effectively managing their allotments, by means of performance appraisals.

***Cost Analysis Proposal - Federal Management Systems, Incorporated
(OIG Number 01-02-APA)***

OIG was requested by contracting officials in the Agency's Procurement Management Division (PMD) to audit a proposal in the amount of \$2,181,021. The proposal was submitted by Federal Management Systems (FMS) Inc., an 8A firm. FMS submitted a proposal in response to a Request for Proposal (RFP), issued by the EEOC for administrative services. The audit resulted in findings of no questioned, unsupported or unresolved costs. Furthermore, OIG concluded that FMS's overall accounting system and related internal control policies and procedures were adequate.

***Limited Review of EEOC's Management Control System
(OIG Number 01-01-AIC)***

To certify the Agency's annual report to the President, as mandated by the *Federal Manager's Financial Integrity Act*, OIG conducted a limited evaluation of EEOC's management control review process, as required by *EEOC Order 195.001, Internal Control Systems, dated November 22, 1989*. This evaluation determines if the Agency's annual review was conducted in accordance with the Office of Management and Budget guidelines. OIG found discrepancies in data reported by field and headquarters offices during the FY 2000. The presence of these discrepancies, however, did not affect OIG's assessment that the review was conducted in accordance with applicable guidance.

ONGOING ASSIGNMENTS AND OTHER RELATED ACTIVITIES***Review of the EEOC Revolving Fund***

OIG is soliciting proposals for external audit services in support of OIG's Performance Audit Review of the Revolving Fund, which began operating in 1993. Congress passed the *EEOC Education, Technical Assistance and Training Revolving Fund Act of 1992 (P.L. 102-411)* as a vehicle through which the Agency, on a fee basis, would develop and deliver comprehensive and specialized external education, technical assistance, and training relating to the laws it enforces.

Revolving Fund Activity began in 1993. OIG has never provided an independent assessment of the performance, nor conducted an independent financial audit of the EEOC's Revolving Fund. Review objectives are to determine the extent to which the program achieves a desired level of results and assess the effectiveness of the program.

Evaluation of EEOC's Information Security Program

The *Government Information Security Reform Act (GISRA)*, requires agencies to develop, implement and annually evaluate their agency-wide information security programs to ensure the integrity, confidentiality, authenticity, availability; and non-repudiation of information and information systems. GISRA directs IGs to perform annual independent evaluations of the information security program

and practices of the agency. OIG initiated its evaluation and will report the actual performance of EEOC in implementing the GISRA to the Office of Management and Budget at the end of the fiscal year.

Other Audit Activities

As required by *Section 5(a)(3) of the Inspector General Act of 1978, as amended*, semiannual reports shall include a summary of each audit report issued before the commencement of the reporting period on which corrective action has not been completed by the end of the reporting period. OIG has issued three reports that contain such recommendations:

- ▶ In OIG Report Number 97-05-APE, *Audit of the Injury Compensation Program*, issued on September 30, 1998, OIG has been advised by the Agency's Audit Follow-up Official that two supervisory guides: (1) The *EEOC Injury Compensation Guide for Managers and Supervisors*, and (2) The *EEOC Managers' Guide to Traumatic Injuries* have been written and are awaiting issuance along with the revision to the *EEOC Order 560.007*, which is currently in review by the Agency's Management Analysis Branch (MAB).
- ▶ In OIG Report Number 00-03-APO, *Review of Wage Determination Rates*, issued on September 29, 2000, OIG determined that EEOC needed to make an additional payment in the amount of \$18,992. This payment was due to the increases in wage and fringe benefits, social security, unemployment taxes and workers' compensation insurance. OIG has been advised by the Agency's Audit Follow-up Official that as of March 30, 2001, the final payment of \$18,992 has not been issued by the Procurement Management Division.
- ▶ In OIG Report Number, 00-09-ADF, *Imprest Fund Management Advisory*, issued September 29, 2000, OIG recommended that management implement more efficient methods to replace cash disbursements consistent with the *National Partnership for Reinventing Government* recommendations to streamline Government processes. These include electronic fund transfers, small purchase credit cards, and when applicable farecards and tokens for local travel. Additionally, it was recommended that employees be encouraged to accumulate a minimum cost of at least \$10 before applying for reimbursement. According to the Financial Management Division, the Agency plans to discontinue the use of the Agency-wide use of the Imprest Fund by October 1, 2001.

THE INVESTIGATIVE PROGRAM

The investigative process begins with either the receipt of allegations of wrongdoing or mismanagement, or requests for review from concerned parties. The Investigative Program is subject to a strategic planning process which reviews historical data and trends and produces goals for the future. Proactive investigative activities include serving as liaison with other offices of inspector general, law enforcement agencies and professional organizations; establishing and maintaining formal and informal communications channels with Agency officials and employees; detecting circumstances which show a potential for fraud, waste and abuse; and maintaining a supportive working relationship with field offices. Work was performed in support of OIG's objective to accomplish the Agency's enforcement mission.

Strategic Planning Goal:

Focus limited investigative resources on issues that represent the greatest risk, and offer maximum opportunity, to detect and prevent fraud, waste and abuse in EEOC programs and operations.

During the period, Investigations staff closed 161 matters of which 122 were hotlines.

Ethics	5
Theft/Other Criminal Conduct	6
Charge Processing	84
Fraud	8
Mismanagement/Misconduct	3
Threats	-0-
Whistleblower	1
Title VII	28
Other	26
Total	161

Charge processing issues referred by Congress, other Inspectors General, or at the written request of charging parties or respondents, accounted for the largest category. These matters were either resolved by OIG, referred to Agency field offices, Office of Field Programs or the Office of Federal Operations for appropriate action.

COMPLETED INVESTIGATIONS***Outside Practice of Law***

OIG conducted an investigation into an alleged unauthorized outside practice of law by a Senior Trial Attorney. As a result of the investigation, OIG determined that there was insufficient creditable evidence to establish that the employee was engaged in any outside practice of law and closed the case.

Impersonation of an Equal Employment Opportunity Official

OIG conducted an investigation of alleged impersonation of an EEOC official. An employee of a California publishing company attempted to solicit advertising from a Massachusetts company, by claiming to be a representative of EEOC. OIG could not establish that sufficient evidence of impersonation existed and closed the case.

Misuse of Government Property

OIG completed an investigation and issued a report involving an allegation of misuse of government equipment. An Agency employee used the government issued computer to download pornography from Internet sites before and during the course of normal duty hours. OIG Agents determined that during a seven day period the subject downloaded approximately 1,946 pornographic photographs. Management action is pending.

Time and Attendance Fraud

The OIG investigated allegations concerning time and attendance abuse by a Supervisory Investigator. The evidence adduced was insufficient to establish exact dates and time periods during which the alleged violations had occurred. Management was already aware of the situation and is monitoring the employee's time and attendance.

Government Credit Card Theft

OIG received a complaint concerning the theft of a government issued VISA card number. OIG investigated the matter and determined that the theft was from an external source and referred the matter to the Bank of America Fraud Unit.

Alleged Retaliation

In connection with an ongoing investigation, OIG received allegations from employees who claimed that due to their cooperation with the investigation their manager acted in a retaliatory manner. Employees claimed that after OIG's visit, previously acceptable policies, requirements and

procedures for work products were changed; acceptable work products were being criticized, workloads increased, and negative mid-year performance review provided. After careful review of the facts, OIG found insufficient evidence to conclude that the management official acted in a retaliatory manner against employees who cooperated with OIG investigators.

Back Dating of Charge Files

OIG received allegation that a district office had falsified documents within 14 EEOC charge files. The OIG investigation revealed that the office back dated at least 14 charge files on or after October 5, 1999. The Notice of Right to Sue (EEOC Forms 161) and the letter to Charging Parties were also backdated to September 30, 1999. The files were subsequently included in the FY 1999 statistics. OIG referred this matter to the Office of Field Programs for appropriate action.

ONGOING INVESTIGATIVE ACTIVITY

OIG has investigations on-going in 9 offices involving allegations of employment related misconduct. These matters include allegations of gross mismanagement, falsification of time and attendance records, misuse of government property, prohibited personnel practices, falsification of Government documents, and impersonation of an EEOC official in order to deceptively solicit advertisements from companies.

OIG is continuing its participation, in a joint criminal 2-year investigation with the Drug Enforcement Administration of the Department of Justice. This activity will be reported on when it is concluded.

OTHER OIG ACTIVITY

Legislation, Regulations and Legal Matters

During the reporting period OIG reviewed proposed revisions of EEOC Orders on EEOC Safety Program, EEOC Order No. 370.003, Orientation Program for Employees New to EEOC, EEOC Order No. 510.002, EEOC Employee Assistance Program, EEOC Order No. 570.004, Printing/Duplicating/Copying/Facsimile Management, EEOC Order No. 330.001, Delegations of Personnel Authority, EEOC Order No. 130.009, Organization, Mission and Functions, Chapter IX, EEOC Order No. 110.002, and Delegation of Travel Authority, EEOC Order No. 130.003.

Congressional Matters

Pursuant to the *Section 646 of the FY 2001 Consolidated Appropriations Act*, OIG issued a report to Congress concerning the Agency's practice of obtaining personally identifiable information from individuals who access the Agency's web site. Based upon information provided by Agency personnel, as well as OIG's own independent tests, neither EEOC, nor the Government Printing Office, which maintains the Agency's external web server, employs procedures to track personally identifiable information of users visiting the Agency's official Internet site. The Agency informs individuals visiting the web site, to read or download information, that the following data is collected automatically by the web server: (1) the name of the domain and the Internet Protocol (IP) address, (2) the date and time that the individual accessed the Agency's site, and (3) the pages that the individual visited. The notice also informs the user that personal information is captured only if the user chooses to provide it.

OIG notified seven Members of the House and Senate Appropriations Committees and the Subcommittee on District of Columbia Appropriations of the Agency payments to the District of Columbia for the water and sewage services it provides to the EEOC Headquarters Building and Washington Field Office. Payment information was required pursuant to *Section 43-1552 of the D.C. Code*. The requirement resulted from the failure of some federal agencies to make timely utility payments to the District. OIG reported that EEOC remits rent payment for both locations to the General Services Administration and that utility costs are included in the rent. OIG did not provide information on how General Services Administration handles the payment of EEOC's utility bills.

Peer Review

The Legal Services Corporation's Office of Inspector General conducted an external quality review of OIG as requested by the Executive Council on Integrity and Efficiency in December 2000. The review resulted in an unqualified opinion on the audit program's quality control, indicating that OIG

met the requirements of the Comptroller General's *Government Auditing Standards* in all categories of the peer review.

PCIE/ECIE Strategic Plan

The Deputy Inspector General participated in the PCIE/ECIE's efforts to develop a strategic plan for the councils.

Assistance to Customers

OIG arranged an exit conference and coordinated the process of obtaining official EEOC comments on a General Accounting Office draft report titled, *Senior Executive Service: Diversity Improved in the Past Decade (GAO-01-377)*. The report described changes in the composition of and appointments to the Senior Executive Service, by gender and race/ethnicity, from 1990 through 1999. Based upon review by the Offices of the Chairwoman, Federal Operations, General Counsel, Congressional Relations and Legislative Affairs, and Legal Counsel it was concluded that much of the traditional analysis historically used by EEOC to assist agencies in their equal employment opportunity efforts was rejected. The official response was addressed to the Comptroller General of the United States and signed by the Chairwoman. GAO made some changes based on Agency comments and included the Chairwoman's letter in the final report.

As part of an ongoing review of issues confronting the Agency's financial management system, OIG conducted a survey of federal agencies to identify types of financial management systems in use (cross service agreements and off the shelf systems) and the level of satisfaction with the services provided. This information was reported to the Chairwoman who used it to assist her in determining the best system option for the Agency.

An Agency manager complained to OIG about an incident of possible electronic eavesdropping in a field office. The manager had received an anonymous telephone call which only said "your office is tapped". OIG contacted the Federal Protection Service and arranged for a sweep of the office. There were no electronic eavesdropping devices detected or discovered.

Training and Other Activities

The Special Agents and Counsel completed a class on Issues/Problems and Solutions for the IG Community at the Public Administration Forum. The Inspector General and Counsel attended the Association of Directors of Investigation Conference in March in Williamsburg, VA.

Technology Improvement Projects

OIG has acquired modern technology in an effort to further its technological capabilities. In order to move towards a more "mobile" and "paperless" environment, OIG has procured Palm IIIxe

personal digital assistants (PDAs) for staff members. The PDAs will be used along side a zippered notepad portfolio (Seiko SmartPad) to capture handwritten notes into a digital format for storage on either the PDA or compact disk medium.

To further improve the office's capability of collecting and storing hard copy documents, OIG has built a "super work station" that houses a flatbed scanner, with a document feeder, a Compact Disk Re-writeable recorder and flatbed scanners without document feeders that will be used by technicians at their desks. This technology will enable staff members to store hard copy documents into a digital format.

APPENDIX I - OIG AUDIT REPORTS

Report Title	Report Number	Date Issued	Dollar Value of Questioned Costs	Dollar Value of Better Used Funds	Dollar Value of Unsupported Costs
<u>AUDITS</u>					
Limited Review of EEOC's - Management Control System	01-01-AIC	12-22-00	0	0	0
Cost Analysis Proposal - Federal Management Systems, Inc.	01-02-APA	01-25-01	0	0	0
Workflow Analysis - Payment and Receipts Management Division	01-03-AIM	03-21-01	0	0	0

HOW TO REPORT WRONGDOING

**EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
OFFICE OF INSPECTOR GENERAL**

HOTLINE

REPORT FRAUD, WASTE, AND ABUSE

1-800-849-4230

**OR WRITE: OFFICE OF INSPECTOR GENERAL
P.O. BOX 18858
WASHINGTON, DC 20036-8858**

IDENTITIES OF WRITERS AND CALLERS FULLY PROTECTED

